India Limited (UCIL) and Union Carbide Corporation (UCC) to pay compensation of US $ 470 million.

(b) A total of 514 cases have been decided by the Welfare Commissioner. According to the procedure devised by the Welfare Commissioner, a period of 60 days is to elapse before disbursement is made. The amount of compensation awarded is Rs. 2.18 crores.

Government Purchase of Drugs

499. SHRI MD. SALIM : Will the PRIME MINISTER be pleased to state the region wise share of bulk drugs in Government's total purchase for the last three years ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): Government mainly purchases formulations (medicines). Purchase of bulk drugs, if any, are negligible.

Delay in announcement of new drug policy

500. SHRI SATISH PRADHAN : Will the PRIME MINISTER be pleased to state :

(a) whether it is a fact that the inordinate delay in announcing the new Drug Policy and the amendments to the Drug (Price Control) Order 1987, and the revision of prices of controlled products have made it more difficult for the drug industry to produce and sell at economical prices as the profitability of the drug industry got reduced to an unacceptable level of 2–3 per cent leading to inevitable cut back or suspension of production; and

(b) if so, what steps have been taken to announce new Drug Policy to ensure healthy growth of drug industry ?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) and (b) As per the information received from the Companies in Form 6 the profit before tax as percentage of sales turn-over varies from 2.9% to 9.4%. Review of the Drug Policy 1986 is almost in its final stages and a Background Note has already been placed on 12-8-1992 on the Table of both the Houses of Parliament for discussion.

New Investments in Drug Industry

501. SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE : Will the PRIME MINISTER be pleased to state :

(a) what are the details of the new investments made by the existing and new multinational drug companies after the announcement of liberalised financial policy;

(b) the number of licences issued during the last one year for manufacture of drugs or for enhancing the existing manufacturing capacities of drugs, drugwise as well as unitwise; and

(c) what steps are being taken by Government for encouraging the indigenous production of medicines and also for promoting the research and development work in the field of drug industry.

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI CHINTA MOHAN): (a) and (b) Details of the 33 letters of intent issued since the announcement of the liberalised Industrial Policy are given at Annexure [*See* Appendix CLXV, Annexure No 8]. These proposals show investment indications to the extent of Rs. 41.63 Crores.

(c) Various incentives such as broad banding, regularisation of production, reendorsement of capacity, revised ratio parameters etc. are available in the existing Drug Policy, 1986. With a view to further encourage indigenous production of medicines, these measures have been reviewed and a background note on the review of the Drug Policy has been placed in both Houses of Parliament on 12-8-92, for consideration of the Hon'ble Members.